

Northern Ireland Affairs Committee

Oral evidence: Brexit and Northern Ireland, HC 329

Monday 22 January 2018, Brussels

Ordered by the House of Commons to be published on 22 January 2018.

Members present: Dr Andrew Murrison (Chair); John Grogan; Kate Hoey; Nigel Mills; Jim Shannon; Bob Stewart.

Questions 276-290

Witness

I: Michel Barnier, European Chief Negotiator for the United Kingdom Exiting the European Union.

Examination of witness

Witness: Michel Barnier.

Michel Barnier (Translation): I am very happy to meet you here today. We will be focusing on the island of Ireland and what is happening in Northern Ireland. As part of my responsibilities, I was a Member of the national parliament for almost 20 years, so above and beyond the European institutions. Together with the European institutions, I attach quite a lot of importance to Parliaments and to Members of Parliament such as yourselves, elected by the people as part of a public debate, which is why I am taking this time to see you today. It is never wasted time when I meet Members of Parliaments. My door is open, as you know, for Members of the British Parliament in particular, because I need to understand. To be able to act correctly and to take the correct decisions, I need to listen and respect what people have to say. That is always the way I have worked in my public life.

It is not the first time I have met members of a House of Commons Committee. In November I met the House of Commons Committee on Exiting the EU and in July the House of Lords EU Select Committee. This is, however, the first time that I have met your Committee and this gives me an opportunity to touch more specifically upon the position with regard to the island of Ireland and Northern Ireland.

Chairman, perhaps in my introductory comments I could focus on three issues: where we stand in the negotiations, the case of Ireland, and of course I am available with my team to listen to you and answer any questions you may have. First of all, where do we stand right now? On 8 December last year, with Theresa May, who came here twice within a week, we reached an agreement in the first phase of the negotiations. This agreement took the shape of a joint report. Together with Theresa May and President Juncker, we agreed on this joint report, which we worked upon with the British negotiators. It touches upon three essential points, but not just those points, based on a sovereign decision taken by your country.

The priority questions for me remain the rights of citizens, the 4.5 million in all who are affected, the issue of the financial settlement—obviously, we are going to pay what was decided while we were 28, no more, no less than that—and of course the issue of Ireland. Those are the three main domains, not the only ones but the three main issues where the decision of the citizens of the UK to leave the European Union creates uncertainty.

During these negotiations, we have taken it as our task to remove this uncertainty. If you take a look at the slides that I am displaying and look at the vertical dotted lines, following the joint report, where are we now? The European Council, the Heads of State and Government, who I work for as a negotiator, have asked me to continue negotiations on quite a



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number of points that were not negotiated or specified in the separation and have asked me to draw up a draft withdrawal agreement. That is the yellow line. We began that work in December and that will be continuing until October this year, because by October this year we need to have concluded an international agreement on the orderly withdrawal of the UK.

The second line involves a very important point, which is the transitional period that Theresa May formally requested in her address in Florence, which has been confirmed since then and that the Heads of the 27 have agreed upon in principle. Here the Commission has presented negotiating directives to create a framework for this transition period. I will begin negotiations on this transition period in a few days, at the beginning of February, on the basis of decisions taken by the Foreign Affairs Council and the General Affairs Council, on 29 January, in other words in a few days from now. That is the orange line.

Chairman, ladies and gentlemen, these two sections, or yellow and orange lines, make up the content of the Brexit treaty, if you like, the international agreement on an orderly withdrawal. On the first line, the yellow line, I will say at this stage that a lot of subjects remain. We are having technical discussions with the UK side on these, because we have to reach agreement on issues such as Euratom—the fact that your country, for example, will be leaving Euratom; the governance of the agreement itself; the issue of goods placed on the markets; intellectual property; geographical indications. All of these issues involve a certain amount of uncertainty, not so serious when it comes to Ireland or financial settlement or compared to citizens' rights, but at the same time quite serious.

The transition period, as we see it, would be a short period. We suggested that it would begin on 30 March 2019 and end on 31 December 2020. In other words, it would end at the end of the multiannual financial framework, as we call it, because as you know, in the EU we have a seven-year budget framework called the MFF. Since the UK will be leaving the EU in March 2019, almost two years before the end of that MFF period, it would be logical to attempt to maintain the status quo by taking the transition period and fitting it in place so that it would end on 31 December 2020.

During this period the UK would have left the EU, because it has wished to do so. It would no longer take part in the Commission, the Council of Ministers or the European Parliament proceedings, nor would it take part in the Court of Justice proceedings and so on, but this extension of the European acquis does entail a number of conditions for us. It is a question of maintaining the status quo, as Theresa May has said, and this will only be possible if the dynamic nature of this acquis can be accepted. That applies in particular to the laws that may come into force during that transition period, as well as accepting the jurisdiction of the European Court of Justice, contributing to the European budget and accepting the



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entirety of the supervisory framework. In other words, we would be maintaining the status quo during this short period and the whole of the architecture of the obligations incumbent upon the member states.

Strictly legally speaking, allow me to add one point. This transition period is only possible if an agreement on withdrawal has emerged, because the legal basis for the transition period will be Article 50. If there were not to be an agreement on an orderly withdrawal of the UK, if it were the no-deal scenario, there would not be a transition period. That is also one of the reasons why personally, from the very outset, I have been very much in favour of achieving an agreement so that we can have an orderly withdrawal of your country.

Coming to the third arrow or green line—future relations with the UK—the 27 member states and the European Parliament, where I have just been, are working internally. We are working together to define what we feel we can accept and what we feel we might not be able to accept as part of our future partnership with the UK. Normally we would expect—this is the blue box here—that in March of this year the European Parliament and the European Council, in other words the Heads of State and Government, would establish the framework for these future relations from our perspective by means of a resolution and a set of guidelines from the European Council. That would be my mandate, on the basis of which I would initiate discussions with the Government in London on the framework for these future relations.

The objective of this would be that at the same point in time where we conclude the negotiations on the withdrawal agreement in October of this year—so we do not have that much time, 10 months or so—we would have a political declaration that would describe for all sides, for you, for us and for the citizens, and set out quite precisely what the framework for these future relations would be. That is why during this period we need to learn precisely what the UK wants or it does not want. We will be prepared, but I do very much need to know what the UK expects of us here.

The negotiations on the future treaty or treaties would begin on the basis of this political declaration in October. That would legally set out the framework for our future relations, certainly free trade but it may also involve co-operation in several sectors: aviation, research, potentially an agreement on what we call home affairs, all issues related to citizens, security and so on, and of course a bilateral co-operation agreement between the UK and ourselves on the issue of defence, foreign and external security policy. We are probably talking about several agreements. I do not know whether that means several treaties, but the important thing, Chair, ladies and gentlemen, is that we can almost certainly say that these future agreements, negotiations for which will begin in October—even though we may have touched upon that before then—will be, legally speaking, based on a legal basis other than Article 50 and, most probably, mixed agreements.



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What that means is that to allow these agreements to enter into force, we will need the ratification not only of the European institutions but also of each of the 27 national Parliaments and quite possibly also some regional parliaments, as we have seen in the case of CETA, the trade agreement with Canada, where the Wallonian Parliament demanded to be consulted.

A few words now on our future relations. To construct these, we need to take account of the red lines, which Theresa May has spelt out on behalf of the UK up to now. Mrs May has been saying to us that her Government no longer wish to recognise the jurisdiction of the Court of Justice. Mrs May has told us that they are no longer willing to participate in the EU budget and they wish to regain regulatory sovereignty or autonomy. Mrs May told us that they no longer wish to recognise the EU's trade policy, which is a common trade policy shared by the 28. You have told us, via the referendum, that you no longer wish to recognise at least one of the four freedoms, which is the freedom of movement of persons. Those are the red lines that we objectively have heard directly from the UK Prime Minister and her Government.

This table on the screen now is one I showed to the Heads of State and Government on 15 December. This shows what the upshot of those red lines would be on the basis of various co-operation models that we have with various third countries now. I have simply objectively taken account of your red lines and the doors that your country has been closing or opening. As a result of these red lines, you have closed the doors, one after the other, to various co-operation models that exist currently with Norway, which is part of the internal market and accepts the conditions; Switzerland, which accepts the free movement of persons; Ukraine, which accepts the jurisdiction of the Court of Justice; and Turkey, which respects the EU's trade policy.

Finally, the models that remain available are not identical. We have put them here. They have their own specificities, but they are models that entail a free trade agreement. These are something like what we have with Canada, South Korea and more recently with Japan. I have shown you this table, which is available to you, to show you what direction we are heading in. As far as the economic side of future relations is concerned, we are moving towards a kind of free trade agreement based on the Canadian model. Each of these models has its own balance of constraints, in other words obligations and rights, and there is no question of mixing and choosing a number of different obligations and advantages either.

As I said, for quite some time now it has been my conviction that we need to talk about a lot of other things with the UK apart from trade, even though of course we will be trading with one another. We have co-operation with a lot of other countries in our common interest, in the interest of our citizens and our businesses. Co-operation I mentioned in the home affairs sector, aviation, research, universities and of course co-



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operation for the security of our continent when it comes to combating terrorism, external security and foreign policy. That is the general context.

Let me move on now to say something about Ireland. Here, Chair, allow me to say that I have always felt a lot of respect for the professionalism of the British negotiators. If this were another case, I would not be saying this. I am saying this because throughout the negotiations—I mean not just at a political level—the whole of the UK negotiating team is very highly competent and skilled and very professional indeed. I have said this personally to Theresa May, because this is what I believe. In fact, we need this professionalism on both sides. We need serenity and objectivity and we certainly do not need any kind of spirit of revenge or punishment. That is the last thing I have in mind when it comes to meeting the challenges we are faced with. That is the spirit that will guide my work in leading the negotiations with the UK.

As you have recalled, Chair, I have always paid particular attention to the situation in Northern Ireland. I remember my visit to Belfast when I was Commissioner. Since becoming Negotiator, I also went to the Republic of Ireland twice to get a better understanding of the situation there. Clearly we have the specific feature of this invisible border, which is crossed every day by thousands of persons. We do not want, on either side, to find ourselves in the situation that you mentioned, which you are familiar with more than anybody else: the idea of a hard border. The objective is clear. We want to preserve stability on the island of Ireland and we want to maintain co-operation between the north and the south. We want to ensure that we can work in a way as to safeguard this co-operation, which is part of the Good Friday Agreement and of course maintain the common travel area.

On this basis, during the first phase of the negotiations, together with the UK side, we wished to reach a common understanding or a shared reading of our objectives in relation to these documents, the Good Friday Agreement in particular, so that we could reach a common understanding of the political framework before moving to explore possible technical solutions. This is how we reached an agreement on the conditions to maintain the common travel area and associated rights. The UK's commitment to continue to implement the common travel area in a way that does impinge in any way on the freedom of movement of European citizens is an extremely important step, because I know it is a matter of the daily lives of thousands of persons.

This common understanding is what also allowed us to conclude the joint report. I think you are familiar with all of the issues and debates that existed at the time. We will probably be coming back on a number of these during our dialogue, in particular paragraph 49 of the joint report. Let me dwell on two important elements here: first, the United Kingdom's commitment to avoid a return to a hard border on the island of Ireland, and secondly, the UK's commitment to respect the Good Friday



Agreement in all its dimensions, because right from the start the UK, of course, has been a co-guarantor of the Good Friday Agreement. These are important commitments that will allow us to find a unique solution to the exceptional circumstances that exist in Ireland. It is important to agree on this political framework. Obviously, if we had not reached an agreement on these issues we would not have the joint report, but we have done so, which means that we remain with a very complex and very difficult task. I do not want anybody to underestimate the complexity of this task, which is to further this framework and find solutions.

This common reading, we hope, will take the form of an operational and binding legal text. The member states of the European Union have been very clear on this point. In the case of the island of Ireland, it is a border that should remain invisible, but it will at the same time be an external border of the European Union and of the internal market. That means that we have to provide the citizens of the Republic of Ireland and Northern Ireland with the legal certainty that they deserve.

Finally, the fact that the issue of the border in Ireland has arisen once again, 20 years after pacification, is one of the consequences of the choice of the United Kingdom, the decision of the United Kingdom to leave the European Union. That is a serious matter, but it is worth repeating: if the UK had not taken the sovereign decision to leave the EU, this question would not have arisen again. It is my aim to ensure that the UK realises and accepts this reality. The fact that you are leaving the European Union—the internal market, the customs union, if I understand what the Government are saying—has given rise to this problem, which is why we have asked the UK to commit to finding solutions. This is why we wish the UK to table a number of proposals with a view to avoiding a return to the hard border, something that nobody wants.

That brings me back to my third point. These proposals must take account of the unique and exceptional circumstances on the island of Ireland and must not in any case call into question the integrity of the internal market, so these proposals should be forthcoming very soon. You are more familiar with the situation than I am, but we would like to see the Executive in Northern Ireland put back into place as quickly as possible, because that is one of the conditions which would facilitate our work together. I very sincerely hope that the Northern Ireland Executive can be formed very soon.

I will leave it there. I would like to thank you for listening to me. I am here now with my team to listen to you and to answer any questions you may have.

Q276 **Chair:** Mr Barnier, thank you very much indeed for that. That is very useful, very comprehensive and touches upon the unique Northern Ireland perspective on this. I am sure you would agree that the success or otherwise of Britain's extraction from the European Union pretty much hinges on getting Northern Ireland right. That is why my Committee is so



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exercised about this and why we are focused on this particular piece of work.

You touched upon paragraph 49 in the joint report, which contains three options. You dealt particularly with the second one, the design of specific solutions, and I have no doubt that you are awaiting with bated breath the specific solutions that the UK Government might come up with. Can I ask you, from where we are at this precise moment in time, what level of confidence you assign to each one of those three options? Where do you think we are going to be left in a few months' time, when we come towards the end of this negotiating period and are looking, I suppose some would say, into the abyss? Which one of those three options do you think is most likely to be on the table?

Michel Barnier (Translation): Thank you, Chairman. This depends to an extent on the future relations we construct with the UK. We are working for the moment on the hypothesis indicated by Theresa May whereby the United Kingdom will not only be leaving the European Union, in line with the decision of a majority of its citizens in the referendum, but will also be leaving the internal market and the customs union. It is not an obligation. Norway is not a member of the European Union. It did not wish to join, but it is part of the internal market. Speaking of Norway, we are not talking about two different markets co-operating; we are talking about the same market, which is a very different thing. That model is available and we could even add a customs union to it, such as we have with Turkey, but there are conditions that need to be complied with.

If your Government confirm to us that they do not wish to comply with these conditions, which are our conditions, then basically we have to operate on a different basis, for example, as I have indicated here, the hypothesis of a free trade-type agreement that could avoid applying customs tariffs but at the same time would not exclude other forms of checks of a non-tariff nature. But I do not want to speculate. I do not enjoy speculation; I am not too keen on speculators either. People know this, because I was involved in dealing with financial regulation as Commissioner for five years myself, but I will do my very best to reach an intelligent agreement. That is what I have been doing since the beginning.

Last year, before we got the joint report, people were saying to me, "What is the probability of a failure? What is the probability of a no deal?" I did not like to reply in that way, but all I can say is that the joint report, which also includes the issue of Ireland and Northern Ireland, brings us closer to an orderly withdrawal rather than moving us further away from an orderly withdrawal. It brings us closer in terms of probability to an orderly withdrawal. We expect the debate to continue in the UK with regard to our future relations, so that all parties understand very well what the consequences are of the decisions that you are taking because, as I said, it is the UK that is establishing these red lines, which are closing or opening certain doors. It is not us. I was explaining this to Mr



Farage and a number of other people responsible for the Brexit campaign the other day, who I am sure some of you are familiar with. I said to him, "You have to be aware of the consequences of your decisions. It is not up to us to assume these consequences. There is no reason for this. You have taken a decision and you have to live with the consequences".

Chairman, I cannot say what is the probability of such and such an option, but what I can say is that at the end of the paragraph and at the end of the day the UK will and must acknowledge its responsibilities, following its decision to leave the EU. The UK, in confirming its responsibilities, a co-guarantor of the Good Friday Agreement, has committed itself to tabling and finding solutions and I am confident that they will do that.

Q277 **Chair:** None of the three options listed in paragraph 49 could be characterised as in any way being a failure or no deal, but in the evidence Theresa May gave on 20 December she described option 3 as the default default position, in other words the one that she least wanted to see. But of course we have to plan for the worst scenario, don't we? In that default default position, we undertake to maintain full alignment. I would be interested to know from you what your understanding is of full alignment, by which I assume is meant full tariff and regulatory alignment.

Michel Barnier (Translation): Chairman, we could quibble over the meaning of words. I did not talk about a failure, but if you look at line 7, it says, "In the absence of agreed solutions", which is what I was referring to. The United Kingdom has committed itself to finding solutions to ensure regulatory alignment. Do not ask me, I am not the UK Government. I am awaiting proposals from the UK Government. I am confident that we will get those. I await them.

Maybe I could attempt to be more specific. In my long political career, I was at one point French Minister of Agriculture back in 2007, 2008, 2009—not that long ago. At the time, as Chair of the Council of Ministers in 2008, we had to work on a number of serious animal diseases. Bluetongue was one of them. For me, as a former Agriculture Commissioner and being aware of the importance of all these issues, not only for animal safety but also for the safety of the consumers, I cannot imagine having two different sets of rules on the island of Ireland when it comes to preventing animal diseases. It is totally inconceivable. You need to have the same rules; they have to be coherent.

Sabine Weyand has just recalled to me the fact that in having coherence in this domain and in other domains, as paragraph 51 points out, we will be called upon to establish mechanisms to ensure oversight and monitoring. It is not a question of saying at a certain point in time, "Okay, we have the same line here". Both sides have to ensure that this continues, which means that for the island of Ireland, in this specific situation, implementation and enforcement or oversight will require specific mechanisms.



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Q278 **Chair:** Yes, but that is not quite what paragraph 49 says, is it? I suggest that phytosanitary arrangements are fairly straightforward. They are largely commonsensical. Given that Ireland is an island, one would assume that one would develop working practices, as currently is the case, in order to deal with those, but that is not what this says. This says “the all-island economy” and it says “now and in the future”. One interpretation that could be put upon that is that there would need to be full regulatory alignment in practically everything, since “the all-island economy now and in the future” probably means practically everything. Would that be an interpretation you would put on it? If that is the interpretation that the Commission puts on it, basically options 1 and 3 become the same and we leave the European Union with essentially the same position as we are enjoying at the moment.

Michel Barnier (Translation): When we talk about coherence, when it comes to preventing animal diseases, we are talking about the economy— conditions governing consumption and the activities of agricultural holdings. These are the economy. It is an important part of the Northern Ireland economy, which co-operates on a daily basis with enterprises on the other side of the border. I respect your point of view and obviously the example I have given is logical, it is not negligible and it does very much concern the economy. What we are doing currently with the UK Government is a very precise mapping exercise of all of these rules, which will be subject to this work of alignment, so that we can maintain points of north/south co-operation and the content and credibility of the Good Friday Agreement. It is not all of the rules but a large number of rules where this coherence or alignment is needed in the interests of your citizens in the north of Ireland and obviously citizens in Ireland as well.

Q279 **Chair:** At what point do you feel that there would be a need for a hard border, that is to say a border with lots of things on it, checks that one would normally associate with an international border? The big thing in Northern Ireland—as I am sure you appreciate, and there are other questions we will come on to in a minute—is the absence of stuff on that border. With regulatory and tariff divergence there comes a point at which there will be a need for infrastructure on the border. At what point do you think that would arise? At the point of our departure from the European Union, given we have complete regulatory and tariff alignment at the moment, you could argue that there would be no need for any infrastructure, because what would you be checking for?

Michel Barnier (Translation): I am not operating on the basis of a hypothesis whereby we would be creating a hard border, because the objective quite specifically is to ensure that there is no hard border, and I understand that this is your aim as well. You, Chairman, together with others here, have taken a decision to campaign for Brexit, the decision to regain full sovereignty and the autonomy of your own internal market within the UK. I think that is correct. I respect this, but you have to understand that on the European side it is also our concern to ensure



respect of the integrity of our internal market, which means that one way or another we are going to have to ensure full knowledge and information with regard to certain goods moving into the British market, which has regained its sovereignty in such a case, and the same would apply to our activity with regard to operations in the internal market.

If the will is there, I think the possibility does exist to ensure good co-operation between these two markets. But I expect, Chairman, the UK to stick to its commitments, as written down here, and I would not like to enter into any more detail pending the suggestions from the UK because, as I said, the problem has been created by the UK in its decision to leave the EU.

Q280 **Jim Shannon:** Monsieur Barnier, can I first of all thank you very much for the work that you did for the peace programme for Northern Ireland? It enabled us to have a political movement, a process whereby we can fuse the two communities—they can basically come together. I want that on the record and to thank you very much for your past work for us.

You mentioned an orderly withdrawal and I would say that we, as the Northern Ireland Affairs Committee, and perhaps the Government as well—although I am not personally in Government—would wish to see an orderly withdrawal. What is good for Northern Ireland is good for the Republic and it is good for the EU, if it is done right. The agrifood sector is one that is very important to me and you mentioned that in your introduction and your answers to the Chair of the Committee. As an example, Lakeland Dairies has two factories in the Republic of Ireland and one factory in Northern Ireland in my constituency. Their milk products cross the border three times: they go across to Ulster, they go back, then they go back to Ulster to be prepacked and then sold. That is one example. We have Willowbrook Foods, which exports 35% of its produce to the Republic of Ireland. We have Mash Direct, which exports some 30% of its produce to the Republic of Ireland.

For us, for me and for Northern Ireland, I would want to see a process where the SMEs can continue to trade. How they can continue to trade is one of the things that I am very focused upon. We see it as important; I know that you see it as important. How would you see that process? Is it an administrative process, for instance? Is that how the companies take their produce across this invisible border, to use your terminology, indeed as it is? The question is, how do you see that process working?

Michel Barnier (Translation): During my second visit to Ireland, I was able to go and visit on the ground a farm, an agricultural holding, and I was able to see for myself how milk produced in Ulster can be processed on the other side of the border and vice versa. Many thanks for having recalled by means of these examples the proximity, co-operation and total synthesis of the agricultural economy there. If we do not have to reconstruct controlled structures on the borders—and I hope we can administratively, technologically and commercially manage to do this—we hope to ensure that for businesses producing produce and sending it



across the border on to the British market or on to the EU internal market this can be done in a transparent way. But as I said, we await proposals from the UK on this. Based on the scoping exercise that we have started, this is one of the main issues and I am particularly interested in this subject, not only for agriculture but also for fisheries. If I could add that I was Minister for Fisheries in France and we will certainly be working as intelligently as possible on these issues.

Q281 Jim Shannon: Thank you for that, Mr Barnier. It is obvious to me, from your response to us, that we probably both want to see a seamless and transparent focus that ensures that businesses in the Republic of Ireland, and indeed in Northern Ireland, can respectively continue to trade with each other administratively. That was your response to my question and I thank you for that, because I believe there is an administrative way of making that happen.

On the issue of the soft border or hard border, let me make it quite clear that I want to see a soft border. I had an opportunity last year to go to Irish Fest in Milwaukee. The Minister there was the Culture Minister. He spoke of the Republic of Ireland's position in relation to Brexit; I spoke of the United Kingdom of Great Britain and Northern Ireland and our opinion in relation to Brexit to an American audience. At the end of it all, there would not have been much difference between what I was saying and what the Republic of Ireland was saying, in that we both wanted to see a soft border and a way forward. What surprises me—if you do not mind me saying this, in a nice way—is that whenever our Prime Minister, Theresa May, put forward solutions or a suggested solution in July of last year, those suggestions were unfortunately dismissed out of hand. I find that quite disappointing, because I felt that what we had put forward was an attempt.

In your introduction you referred to technical solutions as a way to define that. We already have security and vehicle registration recognition in place. We already have a system where those who cross the border are well known, whatever their reason for doing so. We also have a very good relationship between An Garda Síochána, the police in the Republic, and the PSNI in Northern Ireland, and indeed with the police force across the whole of the United Kingdom. We also have the option—and I think it was put forward in the solution by the Prime Minister—of drone surveillance. There is, can I say, a methodology in place that could deliver a soft border and a methodology where we could move forward in a way that would benefit the Republic of Ireland, would benefit us and would ultimately benefit the EU.

Michel Barnier (Translation): Those points are very important for me, because I did have this personal experience. As I said, when it comes to seeking solutions all ideas are useful, because we do have to find solutions. I will examine objectively all suggestions and possible ideas with my team to avoid a hard border. You, as Members of Parliament, and others may have ideas as well, because we do need to find solutions that allow this co-operation as it exists today, or maybe even enhance



that co-operation, while at the same time fully respecting the dual integrity of the integrity of the UK's internal market, which you have wished to regain, and the integrity of the European Union's internal market. How we achieve this while ensuring consumer safety, and food security in the agricultural domain in particular, is obviously an administrative task with technological solutions, and co-operation among business, but it also entails shared rules in the long term, not just administrative arrangements. We need to have trust between both sides.

There is no problem for the moment, because we are operating within an internal market. You have European law, shared certification checks, controls and so on, but your country has decided to leave this, which means that we have to find ways of ensuring that consumers on both sides are protected. We have to find ways of ensuring regulatory alignment in the long run, not just by means of administrative arrangements. That is one of the problems we have and that is one of the issues touched upon in paragraph 51 of our text, but I am confident that if we tackle these issues with professionals such as yourselves in a calm and objective way, we should certainly find solutions. It is imperative.

Q282 **Jim Shannon:** The last one, Monsieur Barnier, because you have mentioned it and because it was one of my questions as well, is to do with fishing. I represent Portavogie village in Strangford constituency. Fishing is vitally important to us. It is very important to Ardglass and Kilkeel and South Down as well. You know that already because of your knowledge of it. In the fishing sector, 75% of the Republic of Ireland fishing boats' key catches are taken from UK waters. We are ever mindful of the changes in fishing that will take place and the seas coming back to us, and ever mindful as well that we have had a good relationship with the Republic of Ireland, and the fishing sector specifically, and we have helped each other over the years. I ask the question: to what extent is the EU market access dependent on the UK allowing reciprocal access to its waters after Brexit?

Michel Barnier (Translation): Co-operation and the distribution of the so-called tax and quotas are subject to negotiations. Over nights and days I have been involved in those as a Minister. That is all part of a common policy, in this case the common fisheries policy. Your country is leaving the European Union. Beyond the transition period, during which we are suggesting maintaining all of these policies, you regain autonomy, which means we have to find an agreement on fisheries with the UK. I am familiar with the figures. I know all of the figures when it comes to access by Irish vessels, or indeed Belgian, French or Danish vessels, to British waters. I also know the figures for exports of processed fish products to the European Union internal market. I know what these figures are.

I am going to work on the basis of those figures with the UK to come up with a sustained and durable agreement, which hopefully will ensure that fishermen on both sides can continue to do their work and at the same



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time preserve the capacity of UK businesses who wish to export their produce to the internal market.

Q283 **Nigel Mills:** Monsieur Barnier, when we say “hard border”, how do you define that term?

Michel Barnier (Translation): All of your questions are of interest to me, but I am a politician, just like you, so we can always beat about the bush a little. I do not like physical borders. I do not like trying to define them either. I am a politician, you have to understand that. The people around me are highly skilled EU officials, civil servants, but I am not a super-technocrat myself. You can put all the questions to me one after the other, but basically all I can say is I have to await proposals for solutions from your side for problems created by your side. I cannot budge from that line. I await solutions to problems that the UK has created in leaving the EU, in leaving the internal market and the customs union. We will assume our responsibilities, and I hope everybody else will, but I am not going to attempt to define our border, which I hope will never come into being.

I certainly hope we will be able to find solutions that respect the integrity of both markets, which I hope will co-operate, unless your country decides to stay in the internal market, but that is not the current line. In the interests of the citizens of Northern Ireland and the citizens of Ireland itself, I very much hope that the north/south co-operation that you have sustained will continue. I know the discussions leading up to it were very long and were supported by European legislation, European policies and the European budget and co-operation in more than 140 areas.

Q284 **Nigel Mills:** I thought I would try a short question. You never know your luck, I suppose. I think you referred to the Ireland situation as needing a unique solution to exceptional circumstances. Does that imply that the EU and the Commission will be willing to be creative and a little flexible in how certain rules can be enforced and implemented, perhaps in enforcing the customs border, not requiring vehicle stops on the border? Is that a two-way spirit of creativity and flexibility in that situation?

Michel Barnier (Translation): Clearly if we talk about specific solutions for unique situations, we have to find specific solutions. The first responsibility for finding specific solutions lies with the UK, which has created the problem by wishing to withdraw from the EU, but we will contribute to this work. As I have said, we have to act responsibly and together operate in an intelligent way to find solutions. We will contribute to this. We will be as imaginative and as creative as possible in doing so. That is the mandate I have received. The situation in Ireland will not be a precedent for other situations, not at any point in time, but in the light of the fact that it is a specific situation, we do have to come up with specific solutions, but everybody has to play their part. You too, in fact. We are willing to work on these specific solutions, but the important thing is confidence and the ability to ensure the quality of trade so that



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consumers have full trust in what they are purchasing, and confidence in the mutual implementation of shared rules as well.

Q285 **Nigel Mills:** Thank you. As a final question, people always say it takes six, eight, 10 years to conclude a trade deal with the EU. What are you thinking or envisaging can be in place for the end of the transition period in December 2020? Are you confident we can have the full future relationship agreed and approved by that time or will there have to be some transitional to the transition, or something in that situation? Are you confident, even if it cannot be agreed by October this year, that it can be agreed by the end of the transition period?

Michel Barnier (Translation): I am negotiating on behalf of the European leaders and they want to avoid any surprises as to what might happen after October. The political declaration we are looking to in October will specifically describe future relations, which is why we hope the UK will not delay too long in telling us exactly what it wants, confirm the red lines I described here, for example, on the basis of which we will work further. I know there is a debate within the Cabinet of Ministers and the Parliament, and you are, of course, a part of that, but we cannot allow too much time to elapse because, as I have said before, the clock is ticking.

My reply to that is clear. In October we have to be able to describe politically the content of these future relations. That would be organised on the basis of four pillars, from my point of view: a trade pillar; a pillar governing specific co-operation in certain areas of shared interest, research, university co-operation, fisheries, aviation; co-operation in internal security and legal matters—home affairs in other words—of initial and particular interest to the citizens and their daily lives; and of course a fourth pillar would involve defence and security.

I am convinced that we can reach an agreement on the content of these future relations, and that is—allow me to repeat once again—if everybody agrees what it means to leave the European Union, what it means to leave the internal market and to leave the customs union. These are your decisions, they are not ours. I have regretted these decisions. I am not going to say the opposite, obviously, but departing the European Union, as I have said, means that you are leaving a total of something like 750 international agreements. On the morning of 30 March 2019, your country, legally speaking, technically will be departing from 750 international agreements, including aviation agreements, all the various trade agreements. It is an automatic mechanism; it just happens. You leave Euratom; you leave Europol. I regret that, but these are the facts and these are the result of your decision and the consequences arising from this. You lose the financial passport automatically when you leave the internal market, quite automatically so.

If everybody is fully aware of this and is willing to assume the consequences of what they have decided—because it is not up to the



Europeans to assume these consequences and the consequences have to be borne by your side—we can reach an agreement for October.

To attempt to reply specifically to your question, Mr Mills, my feeling is that from March on, we are going to discuss relations. We will have had this political declaration in October and then we will be able to move forward far more rapidly than we have been used to, together with your country. At the moment we are completely integrated commercially speaking, in terms of trade, subject to what Sabine Weyand may wish to say, because before she came to join me she was Deputy Director General for Trade here at the Commission. I can say that within a short period of time we cannot do absolutely everything. We do have to set priorities, but we will be in a position to conclude at least the free trade agreement, if not more. I will work with that in mind, because we want to ensure good trade co-operation. That is a very important condition in the interests of your country as well as the European Union.

Chair: Thank you. On that positive note, Kate Hoey.

Q286 **Kate Hoey:** By the way, despite what you may read in some newspapers, I think people did know what they were voting for and probably knew that the long-term advantage outweighed short-term advantage.

I think we all want to see the shared endeavour to make this happen and work properly over the border. I think there is no disagreement about that. Given that you yourself, Mr Barnier, know so much about Northern Ireland, the EU say that they care so much about the peace process, about the Good Friday Agreement—although incidentally, the Good Friday Agreement never mentioned the border and hardly mentioned the EU—given that you do care so much, and we accept that, is it not possible to use Article 8 in a much better way? It talks about a special relationship with neighbouring countries, aiming to establish an area of prosperity and good neighbourliness based on co-operation and says quite specifically that the Union may conclude specific agreements with the countries concerned.

Surely, apart from areas to do with defence that you mentioned, there must be ways, given that there are already different fiscal regimes between the Republic of Ireland and Northern Ireland, different currencies, different healthcare systems and yet huge co-operation, with ambulances going across both sides of the border and that kind of thing. With goodwill, surely this small part of the whole European Union—it is a very important part but it is a small part in terms of trade and all of that—is somewhere, given that you have accepted the common travel area, which happened long before the European Union and is, as you have accepted, different and special for the Republic of Ireland, where there must be ways that realistically you can make some special differences for the Republic of Ireland and Northern Ireland in that special situation.



Michel Barnier (Translation): Yes, I agree with you. I do not have much to add to what you have said. Just one point, nevertheless. I know the date of the common travel area; I know the date when the Good Friday Agreement came into force. We have to be objective and be able to say that co-operation in its various forms—140 different points of co-operation between north and south—was facilitated by the fact that both countries were operating within the framework of the European legislation. Objectively, whether you are talking about dual nationality, the European policies that came along to support co-operation and budgetary resources assisted in some cases. From that point of view, the EU feels that it is concerned by the content and overall dimensions of the Good Friday Agreement.

Apart from that, we will do precisely what you have indicated between the EU, which I represent, and the third country, which the UK will become. We will have to find, via our co-operation instruments for third countries, a way of finding the best solution. We will adapt and adjust these as creatively as possible, as Mr Shannon pointed out, to ensure that in all the dimensions that can respect the Good Friday Agreement, but for that we need you as well.

Q287 **Kate Hoey:** I thank you for that and the positive response, in a way, to that, but surely the kind of co-operation that goes on—an ambulance going across the border, and it could be an ambulance from the Republic or an ambulance from Northern Ireland—is nothing really to do with what is happening here in Brussels. That is happening because people have common sense and realise that it is in the interests of people. Those are the kinds of things that could quite easily be carried on. I am pleased that you do see that some of the practical co-operation could happen without any legal treaties and agreements, but as part of Article 8 good co-operation.

I would just say that the United Kingdom Government have made it very clear that they will not be putting any kind of structure up on that border, so who is going to do it?

Michel Barnier (Translation): On the principle, yes, clearly of course we can take note of this fluidity of exchange, this coherence that exists and that we want to maintain but, legally speaking, the fact is that your country—with your support, if I have understood correctly—has taken the choice of leaving the European Union and therefore withdrawing from EU laws. Let me take the example that you gave me of the ambulances. I went to Dublin the other day and border issues were explained to me, including the issues of the farms in the border areas and people who have to go to hospital, depending on the accident they have suffered or the illness they are suffering from. Here we are going to be faced with legal issues that have been created by the withdrawal of the UK. We need to find solutions for those.

Blood products cannot simply be imported into the EU just like that, if the patient in the ambulance requires a blood transfer, for example. What



about medications? Medicines need to be authorised. You will be leaving the European Medicines Agency as well. You referred to the ambulances crossing the border freely, maybe going to a hospital in Belfast. Imagine if there is a French citizen who has suffered an accident on the other side of the border. What about reimbursement of medical expenses and hospital expenses? These are specific issues that need to be regulated to ensure that these flows continue, but we will find solutions to all of these, I agree with you, yes, not just on the principles.

Chair: Excellent; pleased about the solutions.

Q288 **Bob Stewart:** I repeat what my colleagues have said, Mr Barnier. Thank you so much for seeing us today and thank you for making your position so clear.

You mentioned the fourth pillar, defence and security. It does not seem, from my point of view, that that will be much of a problem. Could you say a few words about what you anticipate being part of the agreement in the end, by December 2020?

Michel Barnier (Translation): First of all, your country will remain a major player when it comes to security and defence policy. You have diplomatic representation across the globe as a result of your history. You are one of the two EU countries that has a permanent seat on the Security Council, which gives you a very important role and significant influence globally. You have significant defence and bilateral co-operation. The President of the Republic went to London just two days ago, as you know, to confirm one of these bilateral co-operations. You have other strands of bilateral co-operation and they, of course, must continue as applies to the work we have been doing together. It does not apply to all the member states of the EU but most of them, within NATO. All of that must continue in the same way.

What we do have to consider, however, is that as a result of your decision to leave the EU, from 30 March 2019 on you will no longer be part of the institutions or the Foreign Affairs and Defence Councils of Ministers meetings. You will be leaving those institutions. A means has to be found to ensure an ongoing political co-operation, political dialogue, bilateral dialogue between the EU and the UK, whether that be in New York or elsewhere. My hope is that among the tools available to us in our work with third countries, we will find ways and means of co-operation with the UK. For possible external operations, we have to obviously ensure ongoing co-operation with your country for Europol-related issues and the Defence Agency.

Recently, many of the EU member states initiated what is called permanent structured co-operation in defence. I am familiar with that initiative myself, because quite a while ago, when we were drawing up the European constitution, the convention, I was chairing the working group on defence. I was European Commissioner at the time in 2002 and that working group came up with a suggestion for structured co-



operation. Now, 15 years later, it has been created. I remember that the UK was not all that keen on it at the time, as a member of the EU. Now the UK is expressing its interest in this type of co-operation. My feeling is that it is in our mutual interest to find co-operation under the heading of PESCO with the UK.

I do not see any limits, apart from the issue of respecting the decision-making autonomy of the 27. A third country, regardless of its history or its status, cannot have an influence or a right of veto on the decision-making process of the 27. In the same way that you have wished to regain your autonomy of decision-making, your sovereignty—"freedom" is the word Mr Johnson used—you have to respect ours. We are going to find ways of co-operating, but I think subject to that proviso, Mr Stewart, we have to construct a large measure of co-operation in defence and security in our common interest.

Q289 John Grogan: Mr Barnier, I am one of those British MPs who feel sad that we are leaving the European Union and I would settle for being in an internal market. But regardless of that, and though I can see problems ahead, I am more optimistic than when we started—and when we started our day—that there is a possibility of solving the Irish-Northern Ireland conundrum. The progress that has been made on the common travel area I think exceeded some expectations a year ago, that the United Kingdom is very committed to that. Also I take comfort in Article 46 of the agreement, which says that the agreements that are made must be upheld in all circumstances, irrespective of the nation and any future agreement between the European Union and the United Kingdom.

I have two questions. One thing that has been common with the Irish, British and yourself is the importance of the Executive getting back in Northern Ireland, because I think we need the voice of the people in Northern Ireland directly. You did refer to that, but I would be grateful if you would perhaps say a further word on that.

The second thing, going back to Article 49, is it occurs to me, listening to your opening remarks, when you get to the final sentence—and we are talking about the absence of agreed solutions and the United Kingdom will maintain full alignment with all those rules of the internal market, the customs union and so on—that you suggested that it might not mean all the rules of the customs union and internal market; it might be a proportion of the rules that are specifically affected for Northern Ireland and Ireland. Did I understand that rightly? Defining precisely what the rules are that have to be fully aligned is surely a matter of joint endeavour. I accept that the next move will be on the part of the United Kingdom Government to produce some proposals, but for me that final line in that paragraph would have to involve some joint endeavour.

Michel Barnier (Translation): You have an excellent reading of this paragraph. In answering the Chair earlier on, I did say that I wanted to have regulatory consistency. In this framework, we must try to focus on the rules that are of common interest to us both. The rules that will



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enable us to continue the north/south co-operation established under the Good Friday Agreement I do hear you when you say that you would like to stay within the internal market, but that clearly is not the line of the British Government at the moment. They say they want to step out of the internal market, which means that we will have to establish co-operation between two separate markets, the British market—and the British Government want to maintain sovereignty over that market—and another market, which will be the European market. Therefore, we will have to establish co-operation everywhere, not just in Northern Ireland.

Yes, here you are right, we do not mention all rules. The free trade agreement on which we will work, together with the United Kingdom, will not be based on all areas of co-operation. I said, for instance, that financial services will not be included within the free trade agreement. There is no reason for that. I do know what the City wishes for. I know the City quite well, but it will not happen. It has never happened before and it will not happen, even if in the future we may co-operate on financial regulation, but it will not be a general equivalent for financial services to have access. We are working with British authorities on the content of that sentence and that is the scoping exercise that I was mentioning earlier on.

You said that you were slightly more optimistic. I do not know if it is because of this discussion with me today. I do not know if that is the effect that it has, but the fact is that, Chair, ladies and gentlemen, I would like you to understand that I am a person of goodwill. I have an extremely clear mandate. I have never wanted to punish or take revenge. I regret profoundly the decision your country has made. All I am saying is that the decision has been made, therefore it is there, and now we will try to establish a strong and intelligent co-operation with your country. But you know how independent we must be because for 44 years you have drafted and designed the rules that are our rules today. You exercised great influence over the rules that are now European rules.

I fully respect, for instance, the constitutional order of the United Kingdom. There is no ambiguity in my position on the constitutional order of the United Kingdom. We have our own. We must now steer away from passionate talk and ideology. We must base ourselves on technological, technical and regulatory solutions that we need in order to be able to have a proper framework for each and every point of the north/south co-operation, as we have seen in the Good Friday Agreement.

Q290 Chair: Mr Barnier, thank you very much indeed for that. You have been generous with your time and I think you have been extremely frank. Certainly the evidence you have given to my Committee will determine the tone, texture and flavour of the recommendations we ultimately come up with. Thank you so much. What you say also gives us great confidence for the future, since clearly there is an appetite to find solutions to this incredibly difficult conundrum in which we find ourselves. On behalf of my Committee, I would like to thank you very much indeed for the time you



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have taken with us today.

Michel Barnier (Translation): No, you do not have to thank me. I am delighted to have the opportunity to meet you. I am available if you want to meet me again in the future. I am here for you if you want to talk about what we have been doing at a later stage, so do not thank me for that. It is part and parcel of my mission. This negotiation cannot be secret, it cannot be held behind closed doors. It must be transparent and it must be public. You are perfectly entitled to take part in this public debate. You have this role, which is essential, to explain to the different stakeholders, to the citizens. I also feel I am responsible towards citizens and I have to explain to them what is going on, so do not thank me. I would like to thank you for having taken the trouble to come over here. My teams are here for you. Of course our negotiating partner is the London Government. It is the only counterpart, the only people we negotiate with, so I negotiate with them only but I listen to everyone.

These meetings are always very enriching for me and provide many ideas. I would like to thank you in this respect. Thank you for taking on the responsibility you have, which is huge, to work towards the emerging of solutions. We need you, Mr Chair. We have to leave aside, as I said, the passion and ideologies of all sides. We have to be matter of fact and practical. In order to do that, we have to be able to work together and everybody has their part to play in this, everybody.

Chair: Yes, I absolutely agree with all of those sentiments. Kate Hoey is going to send you a copy of the photographs you referred to earlier. My colleague Jim Shannon is desperate for a photograph so that we can inform the local media in Northern Ireland, so I hope you will be agreeable to that.